

UNCLASSIFIED

Exhibit P-40, Budget Line Item Justification: FY 2018 Navy										Date: May 2017		
Appropriation / Budget Activity / Budget Sub Activity: 1507N: Weapons Procurement, Navy / BA 02: Other Missiles / BSA 4: Support Equipment & Facilities							P-1 Line Item Number / Title: 2420 / Weapons Industrial Facilities					
ID Code (A=Service Ready, B=Not Service Ready): A				Program Elements for Code B Items: N/A				Other Related Program Elements: N/A				
Line Item MDAP/MAIS Code: N/A												
Resource Summary	Prior Years	FY 2016	FY 2017	FY 2018 Base	FY 2018 OCO	FY 2018 Total	FY 2019	FY 2020	FY 2021	FY 2022	To Complete	Total
Procurement Quantity (<i>Units in Each</i>)	-	-	-	-	-	-	-	-	-	-	-	-
Gross/Weapon System Cost (<i>\$ in Millions</i>)	331.257	2.397	1.964	4.021	0.000	4.021	2.063	2.107	2.149	2.193	-	348.151
Less PY Advance Procurement (<i>\$ in Millions</i>)	-	-	-	-	-	-	-	-	-	-	-	-
Net Procurement (P-1) (<i>\$ in Millions</i>)	331.257	2.397	1.964	4.021	0.000	4.021	2.063	2.107	2.149	2.193	-	348.151
Plus CY Advance Procurement (<i>\$ in Millions</i>)	-	-	-	-	-	-	-	-	-	-	-	-
Total Obligation Authority (<i>\$ in Millions</i>)	331.257	2.397	1.964	4.021	0.000	4.021	2.063	2.107	2.149	2.193	-	348.151
<i>(The following Resource Summary rows are for informational purposes only. The corresponding budget requests are documented elsewhere.)</i>												
Initial Spares (<i>\$ in Millions</i>)	-	-	-	-	-	-	-	-	-	-	-	-
Flyaway Unit Cost (<i>\$ in Dollars</i>)	-	-	-	-	-	-	-	-	-	-	-	-
Gross/Weapon System Unit Cost (<i>\$ in Dollars</i>)	-	-	-	-	-	-	-	-	-	-	-	-
<p>Description:</p> <p>This budget provides funding to close, deactivate, prepare, and convey the Government-Owned Contractor Operated (GOCO), Naval Weapons Industrial Reserve Plant (NWIRP) in Bedford, MA. This budget also provides funding which supports capital-type rehabilitation projects in the areas of environmental, safety, major repair, and energy conservation at the active Naval Industrial Reserve Ordnance Plant (NIROP), Allegany Ballistics Laboratory (ABL), and inactive NWIRP. Capital-type rehabilitation projects at the GOCO plant, NIROP ABL in Rocket Center, WV, supports weapons systems such as LRLAP, RAM, ESSM, AIM-9X, AIM-9M, FMU-139 Fuze, Hellfire, GMLRS, AMRAAM, Tomahawk GG and Trident GG.</p> <p>[P5 / FU002 Capital Type Rehabilitation]: This program funds projects that eliminate environmental deficiencies to comply with local, state, and federal OSHA regulations. These regulations mandate requirements, which must be met if plant shutdowns in order to avoid criminal liability, and severe financial penalties. Projects to eliminate safety deficiencies in compliance with local, state, and federal OSHA regulations are also funded by this program. These regulations mandate requirements, which must be met if plant shut-downs in order to avoid severe financial penalties. The program also includes critical upgrades to maintain high liability areas such as fire and security systems, roofs, boilers, electrical distribution systems, bridge crane systems, and other structural repairs essential to maintain the industrial integrity of the plant. This line also supports projects that decrease energy consumption by installing new energy efficient systems and provides increased maintenance on these systems. Mandated in 1993 by Congress (Defense Appropriations Committee).</p>												
<p>Justification:</p> <p>Funding is required to address critical infrastructure issues. The plants have an average age of 45 years and lack of proper maintenance will limit capabilities to maintain scheduled production rates and overall productivity.</p> <p>Funding increase of \$2.000M for FY 2018 will support security upgrades and improvements at NIROP ABL to meet modern standards for Anti-Terrorism and Force Protection. This will include upgrades to the following ABL security infrastructure: visitor and entrance control facilities for Plant 1 and the Hilltop Complex, expanded coverage of closed circuit TV monitoring systems, plant security fencing, security lighting including perimeter and area lighting, security patrol access roads and vehicle control measures. Execution of this project will ensure the safety and security of all personnel at the facility.</p> <p>Federal Acquisition Regulation Part 52.245-7 specifies that facilities use contracts require that the government fund capital type rehabilitation projects to support and maintain these facilities. Funding is separated to reflect environmental, safety, major repair, energy conservation, and facilities restoration.</p>												